

CORRECTED FISCAL NOTE

SB 587 - HB 899

January 15, 2004

SUMMARY OF BILL: Creates a "Tennessee: Home To The Presidents" cultural license plate.

ESTIMATED FISCAL IMPACT:

On February 26, 2003 we issued a fiscal note on this bill indicating an *increase in state revenues of \$35,000 and an increase in state expenditures of \$6,500 One-Time*. In January, 2004, in response to a Comptroller's audit of the specialty license plate program which found there were costs associated with the plates that were not being recovered before revenues were allocated to the various agencies, it was determined that a per plate cost of \$4.26 more accurately reflected the Department of Safety's costs for the plates. Based on this information, the fiscal impact is estimated to be:

(Corrected Fiscal Note)

**Increase State Revenues - \$6,760 General Fund
\$28,240 Dedicated Funds**

Increase State Expenditures - \$6,760 One-Time

Revenues

1,000 plates @ \$35.00 each	\$35,000 Recurring
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Expenditures

1,000 plates @ \$4.26 each	\$4,260 One-Time
Computer System Changes	\$2,500 One-Time

Estimate assumes 1,000 new plates will be purchased by individuals that currently do not have a specialty license plate. Plate cost of \$4.26 includes the cost to manufacture and distribute plates. Net proceeds, after deducting the expenses of the Department of Safety in accordance with T.C.A. 55-4-216, from the sale of such plates will be allocated as follows: 80% to the Tennessee Arts Commission, and 20% to the State Highway Fund.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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CORRECTED**

James W. White, Executive Director